



U.S. Department of Justice

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EVENT: Guilty Plea

Defendant: Kenneth Joseph Wojciechowski

NEW BALTIMORE MAN PLEADS GUILTY IN CONSTRUCTION

A 37 year-old New Baltimore, Michigan man pled guilty yesterday in federal court to one count of an Information charging him with a scheme to defraud insurance companies and contractors out of approximately \$275,000 in premium payments, United States Attorney Stephen J. Murphy announced today.

Pleading guilty before U.S. District Judge John Corbett O'Meara was Kenneth Joseph Wojciechowski of New Baltimore, Michigan.

The fraud arose when Wojciechowski, owner and operator of Professional Surety Services (PSS) in Warren, Michigan and, later, New Baltimore, a licensed surety and performance bond agency authorized to issue bonds on behalf of a number of insurance carriers, began diverting premium payments PSS received for surety and performance bonds it issued during 2004 and 2005. Wojciechowski also issued a number of unauthorized bonds that had not been approved by the various insurance carriers using the seals and powers of attorney provided to PSS by the insurance carriers.

United States Attorney Stephen J. Murphy stated, "By issuing unauthorized bonds, defendant put a number of contractors and, ultimately, construction project owners at a substantial risk of loss. Contractors need performance and surety bonds in order to protect the project owner – often school districts and other local government units – against liability claims that may arise during the course of a construction project. When these bonds are phony, the potential harm to contractors and project owners can be very great."

The mail fraud count to which defendant pleaded guilty, carries a maximum sentence of 20 years imprisonment and a \$250,000 fine.

Wojciechowski's sentencing is scheduled for November 7, 2006 at 2 p.m.

The investigation of this case has been conducted by Inspector Kathryn Woliung of the U.S. Postal Inspection Service in Detroit and prosecuted by Assistant U.S. Attorney Ross I. MacKenzie.